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TAGS: [PGOV](#) [PREL](#) [PINR](#) [PA](#)  
SUBJECT: PARAGUAY: ARCHBISHOP CUQUEJO OFFERS GLOOMY FORECAST

REF: ASUNCION 0430

Classified By: DCM Michael J. Fitzpatrick; Reasons: 1.4(b),(d).

¶1. (U) SUMMARY: Cuquejo, Asuncion's Archbishop, told the Ambassador that President Duarte no longer enjoys wide support because of his inability to deliver on social issues. Cuquejo predicts a post-2008 Presidency by VP Castiglioni would undertake needed reforms, regardless of opposition from within the Colorado Party. Cuquejo now believes Monsignor Lugo does want to be President, but Cuquejo doubts he can win. Perhaps most notably, Cuquejo lamented Paraguayans are growing weary of democracy and pessimistic about prospects for change. END SUMMARY.

CUQUEJO ON PRESIDENT DUARTE

¶2. (C) Archbishop of Asuncion Pastor Cuquejo told the Ambassador over breakfast October 26 that President Duarte has "broken faith with the Presidential elections of 2008, Cuquejo thinks that Duarte has no political future, especially since he was unable to win public support for his reelection bid. (NOTE: Duarte won the Colorado Presidency in February 2006 and is likely to claim that position at the end of his Presidential term. END NOTE.) Referring to the emotional swings of Duarte, Cuquejo maintained Duarte suffers from panic attacks and takes medication for his condition. (NOTE: Cuquejo is not the first to suggest Duarte is psychologically unstable. Most of those making this claim are from the opposition. This is the first time we have heard someone suggest he takes medication. END NOTE.)

A DIVIDED COLORADO PARTY AND HIS HOPE, CASTIGLIONI

¶4. (C) Cuquejo spoke frankly to divisions in the Colorado Party. On the one hand, there is the mafia old guard, many hailing from the Stroessner era that don't want to lose their power and influence. He said the money flowing through the Colorado Party is "a lot of money" and that Cuquejo is "not going to seek public office. In addition, the Catholic Church has rules that also forbid priests from actively pursuing political office. Cuquejo believes it will be extremely difficult for Lugo to clear all the hurdles to attempt a run at the Presidency. Even then, Cuquejo still does not believe Lugo has enough support. He referred to the March 29 protest Lugo led against the Duarte Administration, stating that Lugo only garnered about 40,000 participants from all opposition parties, labor unions, NGO's and religious organizations. Cuquejo contended that the opposition political parties are using him and riding his coattails as long as they can but was doubtful that those political parties would agree to Lugo heading an opposition ticket in 2008 (reftel).

THE PARAGUAYAN PEOPLE

¶17. (C) Cuquejo indicated that the general population is socially demoralized and frustrated with the Duarte Administration and the government, in general. Unemployment is high and many are living day-to-day. Cuquejo believes the people are pessimistic about change and democracy because they have seen very little change in their everyday lives. He said the Church had a 5-year social plan that focused on reduction of poverty, working with street children, agrarian reform, and education. But the Church had ceased participation in the project because Beloved Fatherland Party (PPQ) leader Pedro Fadul claimed ownership and credit for its progress. Cuquejo went on to say that Paraguayans are religious people and believe in God but they do not follow the core tenets of the religion, citing stealing and corruption as evidence.

¶18. (C) COMMENT: It is widely known that the Catholic Bishops are dissatisfied with the Duarte Administration because of it's inability to solve the countries larger problems, including job creation and poverty. In much of November and December in 2005 and February 2006 (leading up to the internal Colorado Party elections), the Catholic Bishops were highly critical of Duarte. We expect to see much of the same as we get closer to the November 19 Municipal Elections. Cuquejo's views on the Colorado Party and VP Castiglioni indicate his hope of change is forthcoming. Castiglioni's mediation between Duarte and the Church has obviously impressed Cuquejo.

¶19. (C) COMMENT cont.: Post does not necessarily share Archbishop Cuquejo's view as regards to Lugo's support. An avowed leftist, Lugo has credibility and wide support among the campesino organizations and the poor because of his work, including organizing peasants in San Pedro for the last few years. Cuquejo's point about the opposition's support has some merit. Lugo has effectively garnered wide support of all political parties in the opposition. However, that support is relatively thin and some members of the opposition parties have already discreetly signaled reservations about supporting his candidacy. As a whole though, the opposition parties are so thirsty for a win over the Colorados, Post believes that they would seriously consider his candidacy if they thought he had a chance to win. Lugo, for his part, has some skeletons in his closet that could jeopardize his candidacy. Lugo has indicated he will announce this December his decision regarding any candidacy. Should he decide then to throw his hat in the ring much of this dirt would start getting wider treatment. END COMMENT.  
CASON